

CDCI ANNUAL USE OF CAPITAL SURVEY - 2011



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Opportunities Credit Union

Point of Contact:	Cheryl Fatnassi	RSSD: (For Bank Holding Companies)	0
UST Sequence Number:	1409	Docket Number: (For Thrift Holding Companies)	
CPP/CDCI Funds Received:	1,091,000	FDIC Certificate Number: (For Depository Institutions)	
CPP/CDCI Funds Repaid to Date:		Credit Union Charter Number: (For Credit Unions)	67251
Date Funded (first funding):	September 29, 2010	City:	Winooski
Date Repaid ¹ :	none	State:	Vermont

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP) and Community Development Capital Initiative (CDCI). To answer that question, Treasury is seeking responses that describe generally how the CPP/CDCI investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP/CDCI investment was deployed or how many CPP/CDCI dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP/CDCI capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP/CDCI funds were outstanding).

☒ **Increase lending or reduce lending less than otherwise would have occurred.**

We have been able to grow our asset size and increase lending from \$16,180,189 as of 12/31/2010 to \$22,080,566 as of 2/28/2012 and assets size grew from \$28.2 million as of 12/31/2010 to \$34.5 as of 2/28/2012.

CDCI ANNUAL USE OF CAPITAL SURVEY - 2011



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Opportunities Credit Union

To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).

☒

We increased lending in commercial real estate and small/micro loans from \$855k in 2010 to \$1.2 million in 2011 and are on track to originate \$2.2 million in 2012. Our residential mortgage portfolio (servicing retained) has grown from \$49.9million as of 12/31/09 to \$64.8 million as of 12/31/11.

☐

Increase securities purchased (ABS, MBS, etc.).

☐

Make other investments.

CDCI ANNUAL USE OF CAPITAL SURVEY - 2011



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Opportunities Credit Union

☐ Increase reserves for non-performing assets.

☒ Reduce borrowings.

We have paid off all borrowings other than secondary capital.

☐ Increase charge-offs.

CDCI ANNUAL USE OF CAPITAL SURVEY - 2011



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Opportunities Credit Union

☐ Purchase another financial institution or purchase assets from another financial institution.

☐ Held as non-leveraged increase to total capital.

CDCI ANNUAL USE OF CAPITAL SURVEY - 2011



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Opportunities Credit Union

What actions were you able to avoid because of the capital infusion of CPP/CDCI funds?

We were able to pay off higher cost secondary capital and have replaced some of the maturing secondary capital with core earnings (primary capital). This has allowed us to avoid higher cost capital and to remain very well capitalized for the next 8 years while we build core capital. It has also allowed us to avoid spending time raising secondary capital and allows us to focus on our members and our financials.

CDCI ANNUAL USE OF CAPITAL SURVEY - 2011



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Opportunities Credit Union

What actions were you able to take that you may not have taken without the capital infusion of CPP/CDCI funds?

We would have had to limit our loan and asset size growth and reduce the amount of lending to stay within safe and sound regulatory limits.

CDCI ANNUAL USE OF CAPITAL SURVEY - 2011



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Opportunities Credit Union

Please describe any other actions that you were able to undertake with the capital infusion of CPP/CDCI funds.

It has allowed us to increase non-member deposits at very low rates between 0-1% as the result of investor confidence in our financials and mission.